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NORTH AMERICA

FEB 11 1992

PLANT MANAGER

Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

February 10, 1992

OFFICE OF THE ADMINISTRATOR

In reply refer to PMCG

Contract No. DE-MS79-92BP93472
DSI Nonfirm Sales
INTERIM NONFIRM AGREEMENT
01/22/92

Mr. Gene Spina
Plant Manager
Atochem North America, Inc.
P.O. Box 4102
Portland, OR 97208

Dear Mr. Spina:

The Bonneville Power Administration (Bonneville) receives financial benefit from nonfirm energy (Nonfirm) sales that are easy to administer, are truly nonfirm, i.e., terminable on short notice, and will not displace firm sales to Bonneville customers.

Atochem North America, Inc. (Atochem) is a direct service industry (DSI) customer of Bonneville whose anticipated load exceeds its Contract Demand under its DSI power sales contract with Bonneville, Contract No. DE-MS79-81BP90355 (Power Sales Contract). Atochem has assured Bonneville that it can accept and usefully employ Nonfirm to operate the processes presently installed at its Portland, Oregon plant.

Bonneville offers this Agreement under the following terms and conditions:

1. Term.

- (a) This Agreement will be effective at 0000 hours on February 2, 1992, through 2400 hours on January 31, 1993, unless terminated earlier as provided herein.
- (b) Atochem or Bonneville may terminate this Agreement upon 30 days' written notice to the other party.
- (c) All liabilities arising hereunder are hereby preserved until satisfied.

2. Exhibits and Definitions.

The following exhibits are hereby attached and by this reference are made a part of this Agreement: Exhibit A (1991 Rate Schedule and General Rate

Schedule Provisions (as amended)), and Exhibit B (General Contract Provisions, GCP Form PSC-2). Capitalized terms not defined in the body of this Agreement shall have the meaning given them in the Power Sales Contract.

3. Transmission and Point of Delivery.

(a) Transmission.

Nonfirm sold under this Agreement shall be transmitted over transmission facilities described in the Power Sales Contract on the date this Agreement becomes effective. Sales pursuant to this Agreement necessitating expansion of transmission facilities shall be suspended until such expansion is negotiated between the parties.

(b) Point of Delivery.

For any hour, the Point of Delivery for Nonfirm sales hereunder shall be the Point of Delivery described in the Power Sales Contract.

4. Sale and Purchase of Nonfirm.

(a) Eligibility.

Plant load at Atochem's Portland plant in excess of Atochem's Contract Demand of 84 MW shall be eligible for service with Nonfirm purchased from Bonneville (Eligible Load). Atochem may purchase Nonfirm to meet a minimum of 3 MW of Eligible Load. At no time will Nonfirm be made available pursuant to this Agreement to displace any portion of Atochem's Contract Demand.

(b) Offer.

Bonneville may offer and Atochem may elect to purchase Nonfirm.

(c) Rate.

All Nonfirm sold hereunder shall be sold at the then prevailing standard Nonfirm rate pursuant to Exhibit A. Atochem may elect to purchase "guaranteed" Nonfirm offered by Bonneville at the rate specified in Exhibit A.

(d) Priority.

Atochem will be eligible to purchase Nonfirm at the standard Nonfirm rate after BPA offers Nonfirm to PNW investor owned utilities at the standard rate.

(e) Load Factor.

(1) For any hour in which Atochem schedules Nonfirm to serve its Eligible Load, Atochem must take its full Contract Demand at one hundred percent load factor.

- (2) For any billing period in which Atochem does not purchase Nonfirm, Bonneville will allocate Atochem's energy deliveries pursuant to the IP Rate Schedule.

(f) Demand and Operating Level.

Provisions in the Power Sales Contract will govern all notice requirements for specifying Atochem's Bonneville Operating Level and DSI Operating Demand except as provided for in this Agreement. Bonneville will not waive any notice requirements pursuant to the Power Sales Contract as a result of entering into this Agreement.

(g) Conditions of Sale.

Consistent with Section 4, above, sales of Nonfirm to Atochem under this Agreement are subject to the following additional terms and conditions:

- (1) Atochem shall request Bonneville to schedule Nonfirm from Bonneville in a minimum amount of 5 MW.
- (2) In the event meter readings show Atochem has taken less than the amount of Nonfirm scheduled minus 2 MW, Atochem shall be charged at the prevailing Nonfirm rate pursuant to subsection (b) above, for the scheduled amount minus 2 MW.
- (3) In the event Atochem fails to reduce its load on Bonneville to a level no greater than its Contract Demand when directed pursuant to section 6(b), Atochem shall be charged at the rate for Unauthorized Increase pursuant to the Power Sales Contract.
- (4) In the event meter readings show Atochem has taken more than the scheduled amount of Nonfirm, Atochem shall be charged at the rate for Unauthorized Increase pursuant to the Power Sales Contract for the Nonfirm in excess of the scheduled amount.

5. Bill Calculation.

Bonneville shall calculate Atochem's bill for Nonfirm service pursuant to the Power Sales Contract and Exhibits A and B.

6. Scheduling.

(a) Scheduling Procedures.

- (1) When requested by Atochem and scheduled by Bonneville, schedules of Nonfirm between Bonneville and Atochem shall be made by Bonneville's schedulers and Atochem's Portland Plant Shift Superintendent on each day which both parties regard as a workday (Workday) for each hour of the following prescheduled day or days.

- (2) As soon as practicable, typically by 1000 hours Pacific Time (PT), Bonneville will notify Atochem of Bonneville's available Nonfirm, including the prevailing rate, and estimate and conditions of the Nonfirm's duration.
 - (3) Atochem shall submit estimates of prescheduled amounts on such Workday by 1100 hours PT or two (2) hours after Bonneville issues its report of Chief Joseph Project uncoordinated discharge, whichever is later.
 - (4) Final prescheduled amounts shall be submitted by 1400 hours PT or two (2) hours after the estimated preschedules provided pursuant to subsection (3) above have been submitted, whichever is later.
 - (5) To the extent reasonably practicable, Atochem will request Bonneville to schedule Nonfirm in equal hourly amounts during the hours Nonfirm is available for each preschedule day or days.
 - (6) Insofar as it does not conflict with Bonneville's nonfirm marketing policies Bonneville and Atochem will consult from time to time on the general system status of Bonneville expected Nonfirm sales. Persons to contact for such consultations between Bonneville and Atochem are: Mr. Edward Bleifuss, Chief, Contracts Branch - PSC for Bonneville and Mr. Gene Spina, Plant Manager, or Mr. K.E. Burt, District Purchasing Agent for Atochem.
- (b) Interruption.
Bonneville may interrupt deliveries of Nonfirm consistent with the Bonneville practices and procedures then in use.
 - (c) Schedule Changes.
Atochem may request changes from preschedules consistent with the Bonneville practices and procedures then in use.

7. Payment.

Bonneville shall bill Atochem monthly. Atochem shall pay in accordance with the then current General Rate Schedule Provisions and General Contract Provisions related to Bonneville sales.

On the hours in which Atochem's total requested operating level is greater than their Contract Demand:

- (a) the IP-91 rate schedule will apply to all deliveries up to and including Atochem's Contract Demand, with any difference between Atochem's Contract Demand and metered demand, other than scheduled sales of Nonfirm, assessed at the rate for Unauthorized Increases;
- (b) The prevailing standard rate under the Nonfirm-91 rate schedule will be assessed for metered Nonfirm and take-or-pay Nonfirm;

(c) If Atochem's metered load is less than its requested operating level plus scheduled Nonfirm, Atochem will be charged for all prescheduled deliveries of Nonfirm minus 2 MW (i.e., prescheduled deliveries of Nonfirm minus 2 MW for Atochem's loads above Contract Demand will be made available on a take-or-pay basis); and

(d) any Unauthorized Increase shall be charged at the Unauthorized Increase charge pursuant to the Power Sales Contract.

On hours in which Atochem's requested operating level is less than or equal to its DSI Contract Demand, all charges for deliveries of energy will be as provided in the Power Sales Contract and the IP-91 rate schedule.

8. Force Majeure.

Conditions beyond the control of the parties and liability for damages resulting from such conditions shall be as defined under the applicable section of the Power Sales Contract.

If these provisions are acceptable, please sign both copies of this Agreement and return one copy to Bonneville. The remaining copy is for your files.

Sincerely,

/s/ EDWARD W. SIENKIEWICZ


Senior Assistant Administrator

ACCEPTED:

ATOCHEM NORTH AMERICA, INC.

By




/s/ GENE SPINA

Title



Plant Manager

Date



February 18, 1992

(VS6-PMCG-4766c)



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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

March 26, 1993

OFFICE OF THE ADMINISTRATOR

In reply refer to: PMCG

Amendatory Agreement No. 1
Contract No. DE-MS79-92BP93472.
DSI Nonfirm Sales
INTERIM NONFIRM AGREEMENT

Mr. Gene Spina
Plant Manager
Elf-Atochem North America, Inc.
P.O. Box 4102
Portland, OR 97208

Dear Mr. Spina:

In January 1992, the Bonneville Power Administration (Bonneville) and Elf-Atochem North America, Inc. (Atochem) entered into this interim nonfirm energy sales agreement, Contract No. DE-MS79-92BP93472 (Agreement). This Agreement was intended to help Atochem over a period in which its demand exceeds its contract demand under its direct service industry power sales contract with Bonneville, Contract No. DE-MS79-81BP90355 (Power Sales Contract). At the same time Bonneville expected to receive the financial benefit from nonfirm energy (Nonfirm) sales that are easy to administer, are truly nonfirm, i.e., terminable on short notice, and will not displace firm sales to Bonneville customers.

However, the 1991-1992 operating year did not develop sufficient Nonfirm available for delivery to Atochem in the amounts expected and neither party received the expected experience under the Agreement. Therefore, in order to give the parties another opportunity, Bonneville offers this Amendatory Agreement under the following terms and conditions:

Bonneville and Atochem agree to amend the Agreement as follows:

1. Subsection 1(a) is deleted and replaced in its entirety by the following:

"(a) This Agreement will be effective at 0000 hours on February 2, 1992, through 2400 hours on January 31, 1994, unless terminated earlier as provided herein."

2. Subsection 4(f), "Demand and Operating Level," is amended by insertion of a new first paragraph as follows:

"Each day Atochem purchases Nonfirm under this Agreement Atochem's Operating Level shall be increased to Atochem's Contract Demand (84.0 MW)."

3. Subsection 4(g) is deleted in its entirety and replaced by the following:

"(g) Conditions of Sale.

Consistent with section 4, above, sales of Nonfirm to Atochem under this Agreement are subject to the following additional terms and conditions:

"(1) Guaranteed Delivery of Nonfirm.

"(A) When Bonneville offers guaranteed delivery of Nonfirm under the standard rate of Rate Schedule NF-91, and Atochem agrees to purchase such energy, the minimum schedule requirement (5 MW) shall not apply. Atochem shall be charged for the entire amount scheduled at the rate specified in Exhibit A.

"(B) Schedules of guaranteed delivery of Nonfirm shall not be subject to the minimum Eligible Load requirements of section 4(a).

"(C) In the event meter readings show Atochem has taken less than the amount of guaranteed delivery of Nonfirm scheduled to it, Atochem shall be charged for the amount scheduled.

"(2) Delivery of Nonfirm.

"(A) Atochem shall request Bonneville to schedule Nonfirm from Bonneville in a minimum amount of 5 MW.

"(B) In the event meter readings show Atochem has taken less than the amount of Nonfirm scheduled minus 2 MW, Atochem shall be charged at the prevailing Nonfirm rate pursuant to section 4(c) above for the scheduled amount minus 2 MW.

"(C) In the event Atochem fails to reduce its load on Bonneville to a level no greater than its Contract Demand when directed pursuant to section 6(b), Atochem shall be charged at the rate for Unauthorized Increase pursuant to the Power Sales Contract.


"(D) In the event meter readings show Atochem has taken more than the scheduled amount of Nonfirm, Atochem shall be charged at the rate for Unauthorized Increase pursuant to the Power Sales Contract for the Nonfirm in excess of the scheduled amount."

If these modifications to the provisions are acceptable, please sign both copies of this Agreement and return one copy to Bonneville. The remaining copy is for your files.

Sincerely,

/s/ S. G. HICKOK (acting)

Senior Assistant
Administrator


for Senior Assistant Administrator

Name S. G. Hickok

(Print/Type)

ACCEPTED:

ATOCHEM NORTH AMERICA, INC.

By


Name Gene Spina

(Print/Type)

Title Manufacturing Manager

Date March 30, 1993

/s/ GENE SPINA

Manufacturing Manager

March 30, 1993

(VS10-PMCG-4944c)